VZCZCXRO1026
OO RUEHDBU RUEHPW RUEHSL
DE RUEHBY #0073/01 0290707
ZNY CCCCC ZZH
O 290707Z JAN 10
FM AMEMBASSY CANBERRA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2603
INFO RUCNAFG/AFGHANISTAN COLLECTIVE IMMEDIATE
RUEHBN/AMCONSUL MELBOURNE PRIORITY 6945
RUEHPT/AMCONSUL PERTH PRIORITY 5212
RUEHDN/AMCONSUL SYDNEY PRIORITY 5223

C O N F I D E N T I A L SECTION 01 OF 02 CANBERRA 000073

SIPDIS NOFORN

E.O. 12958: DECL: 01/29/2020

TAGS: PREL PGOV AS AF

SUBJECT: AUSTRALIA PLEDGES \$89 MILLION TO AFGHANISTAN

REF: A. CANBERRA 64

_B. CANBERRA 63

CANBERRA 00000073 001.2 OF 002

Classified By: Pol/Econ Counselor Edgard D. Kagan for reasons 1.4(b)(d)

11. (C/NF) SUMMARY. Australia pledged an additional \$89 million (\$100 million Australian) in civilian aid to Afghanistan at the London Conference. Of that sum, \$45 million will go to the Afghanistan Reconstruction Trust Fund. \$22 million will help fund the proposed Peace and Reintegration Trust Fund, conditional on the creation of an administration system that includes Australia. The rest will be spent on mine-clearance, agriculture, human rights, and other development projects. Still in the planning stages, Australia's expanded civilian presence in Afghanistan will not be funded out of the \$89 million. Australia appears committed to remaining one of the top 10 contributors to Afghanistan. END SUMMARY.

Where Will the Money Go?

12. (U) In London, Foreign Minister Stephen Smith announced \$89 million in additional civilian aid to Afghanistan. \$22 million will be contributed to the proposed Peace and Reintegration Trust Fund, conditional on a role for Australia in the fund's administration. Australia will also contribute an additional \$45 million over three years to the Afghanistan Reconstruction Trust fund. Other major contributions include mine-clearance (\$18 million), support for the Ministry of Agriculture (\$3.5 million), and funding for the Afghan Human Rights Commission (\$.9 million). The new contributions will come out of existing development funds, so no additional authorization is required. The new contributions make Australia one of the top ten civilian contributors to Afghanistan.

Australian Contributions:

- -- \$89 million total (\$100 million Australian).
- $\mbox{--}\ \$45$ million over three years to the Afghanistan Reconstruction Trust Fund.
- -- \$22 million to the Peace and Reintegration Trust Fund, conditional on Australian involvement in the fund's administration.
- -- \$18 million for mine clearance-programs.
- -- \$3.5 million to support the Ministry of Agriculture.
- -- \$.9 million to the Afghan Human Rights Commission.

13. (C/NF) Officials had previously expressed concerns to us over the administration and oversight of the Peace and Reintegration Trust Fund (reftel A). Because of these concerns, Noonan had told us he did not expect any concrete contribution to be announced in London. Ultimately, Smith decided to go ahead with the announcement, but make the money conditional on Australia's involvement in the administration of the fund and the establishment of "appropriate governance arrangements."

Last Minute Decision

14. (C/NF) The decision on what Australia would pledge at the London Conference was made at the last minute. Smith was presented with a menu of possible aid packages to review while en route to London. Noonan told us that Smith made up his mind shortly before the conference. The final package was one of the mid-range options presented to him.

Civilians Sold Separately

15. (C/NF) Contrary to some media reports, this pledge does not include funding for the additional civilians Australia plans to send to Afghanistan. The number of diplomats, aid workers, and police trainers to be sent is still subject to debate. As previously reported (reftel B), the plan will be finalized and funded through the annual budget process which begins in February. Noonan and Sonja Litz of the Australian Obegins in February. Noonan and Sonja Litz of the Australian Agency for International Development (AusAID) told us not to expect a final announcement until March at the earliest. In a recent interview, Foreign Minister Smith said the timeframe for a decision was, "weeks and months rather than months and years."

CANBERRA 00000073 002.2 OF 002

Comment

16. (C/NF) Officials have stressed that the new contributions make Australia a "top ten contributor" in Afghanistan. Similar claims were trumpeted when Australia increased its military presence last year. This "top ten" threshold appears to have become an important metric in decision making. Australia is likely keep its contributions around this level going forward.

BLEICH